

**Prospective Payment System  
Rate Adjustment  
(Change in Scope of Services)**

MAP 100501  
11/01 Edition

Line #

Interim Rate for  
Change in Service

Final Rate for  
Change in Service

(Column 1)

(Column 2)

**Cost of Existing Services:**

Medicaid

Medicaid

- 1 Current PPS Rate
- 2 Medicaid Visits for Existing Services (Avg # of Visits for Base Years)
- 3 Total Medicaid Cost of Existing Services

Line 1 times Line 2

**Change in Service :** (based on projected financials from provider)

- 4 Total Direct Cost Associated with Change in Service
- 5 Administrative Cost Allocation (Avg % of Adm Cost for Base Years as % of direct cost)
- 6 Total Cost of Change in Service

Provider Projection

Admin Cost % times Line 4

Line 4 plus Line 5

- 7 Medicaid Visits for Change in Service
- 8 Total Visits for Change in Service

Provider Projection

Provider Projection

- 9 Medicaid Visits as % of Total Visits
- 10 Total Medicaid Cost of Change in Service

Line 7 divide by Line 8

Line 6 times Line 9

**New Rate Calculation:**

- 11 Total Medicaid Cost of Existing Services
- 12 Total Medicaid Cost of Change in Service
- 13 Total Medicaid Cost of Existing Services and Projected Medicaid Cost of Change in Service

Line 3

Line 10

Line 11 plus Line 12

**Volumes for Existing and Change in Services:**

- 14 Medicaid Visits for Existing Services
- 15 Medicaid Visits for Change in Service
- 16 Medicaid Volumes for Existing and Change in Services

Line 2

Line 7

Line 14 plus Line 15

**Calculation of Changed PPS Rate:**

- 17 Total Medicaid Cost of Existing Services and Projected Medicaid Cost of New Service
- 18 Medicaid Volumes for Existing and Change in Services
- 19 Medicaid Interim PPS Rates
- 20 Medicaid Final PPS Rates

Line 13

Line 16

Column 1- Line 17  
divided by Line 18

Column 2- Line 17  
divided by Line 18

**Medicaid Reimbursement Reconciliation:**

- 21 Medicaid Interim PPS Rate
- 22 Medicaid Final PPS Rate (Year 1)
- 23 Difference
- 24 Actual Medicaid Volumes (Year #1)
- 25 Balance Due Medicaid / (Provider)

Column 1- Line 19

Column 2- Line 20

Column 2- Line 21 less  
Line 22

Column 2- Line 16

Column 2- Line 23 times  
Line 24